

# Mankato 0.5% Food and Beverage Tax and Mankato 0.5% Entertainment Tax

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Beginning April 1, 2009, the city of Mankato will have a one half of one percent Food and Beverage tax and a one half of one percent Entertainment tax that will be administered by the Minnesota Department of Revenue. The proceeds will be used to pay the expenses of operation and maintenance of the Riverfront 2000 and related facilities, including a performing arts theatre and the Southern Minnesota Women's Hockey Exposition Center.

## Food and Beverage tax

The 0.5 percent Food and Beverage tax applies to all sales of food and beverages by a restaurant or place of refreshment that are located within the city of Mankato.

"Restaurant" is defined as a business that sells unpackaged food to the customer in a ready-to-consume state, in individual servings, where the customer consumes these foods in the building, picks up the food from the building to consume elsewhere, or the food is delivered by the customer by employees of the restaurant and establishments. This definition includes but is not limited to: fast food restaurants, sit down restaurants, pick-up or carry-out restaurants, delivery restaurants, drive in restaurants, drive-thru restaurants, cafes, tea rooms, delis, and any combination thereof. "Restaurant" may also be referred to as an eating establishment.

"Place of refreshment" is defined as any premise or location where alcoholic beverages, non-alcoholic beverages, or food items are sold at retail for consumption at or near the premise or location. This definition includes but is not limited to: bars, saloons, clubs, pubs, coffee houses, dance clubs, teen centers, concession stands, sidewalk vendors, and any combination thereof.

Fact Sheet 164, Local Sales and Use Taxes, and Fact Sheet 164S, Special Local Taxes, contain more information about local taxes and are available on our web site.

## Entertainment tax

The 0.5 percent Entertainment tax applies to sales of admissions to entertainment events located within in the city of Mankato.

"Entertainment event" means any event for which persons pay money in order to be admitted to the premises and to be entertained, including but not limited to, theatres, concerts and sporting events.

For purposes of this section admissions paid to the following types of events or for the following types of entertainment are excluded from and not subject to the Mankato entertainment tax: health, athletic, or fitness club memberships; miniature golf facilities; skate board parks; ice or roller skating facilities; swimming pools; amusement parks; carnivals; fairs; games of skill; cover charges at night clubs or dance halls; coin operated amusement devices, such as foosball, pool tables, pin-ball, cranes, batting cages and the like; tennis, racquetball or handball court fees; golf club memberships or greens fees and driving ranges.

## Who must be registered

All restaurants and places of refreshment making sales in the city of Mankato must register for the Mankato Food and Beverage tax.

Those who make sales of admissions to entertainment events that take place in the city of Mankato must register for the Mankato Entertainment tax.

Those who make both types of sales must register for both local taxes.

## To register for Mankato Food and Beverage tax and/or Mankato Entertainment tax:

- Log into e-FILE Minnesota. Click on "Update business information" on the Main Menu page. Click on the "Sales and use tax" link in the left sidebar. Click "Continue" to advance to the "Additional taxes" page and add the Mankato Food and Beverage tax and/or the Mankato Entertainment tax.
- If you file over the internet, you may register for the Mankato Food and Beverage tax and/or the Mankato Entertainment tax on-line when you file your April sales tax return. On the "File a return" page, click "Add a sales tax type" and check the box for Mankato Food and Beverage tax and/or Mankato Entertainment tax (before you enter your figures).
- If you file by phone, you must register for the local tax (or taxes) before you file your return. Call 651-282-5225 or e-mail us at [salesuse.tax@state.mn.us](mailto:salesuse.tax@state.mn.us) to register. Be sure to include your MN tax ID number if you send us an e-mail.

Mankato Food and Beverage tax and the Mankato Entertainment tax are reported at the same time you report your

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Minnesota sales and use tax, but the figures are reported on separate lines.

### Figuring the tax

To figure the tax, combine the state sales tax rate (currently 6.5 percent), the Mankato local sales tax rate (0.5 percent) and the Mankato Food and Beverage rate (0.5 percent) or the Mankato Entertainment rate (0.5 percent), apply the combined rate (currently 7.5 percent) to the sales price and round to the nearest full cent. A 7.5 percent rate chart is available on our website. Paper rate charts are available upon request.

Do **not** charge Mankato Food and Beverage tax on sales of taxable items when you deliver the items outside the Mankato city limits.

### Exemption certificates

If your customer gives you a fully completed exemption certificate for state sales tax, also use that certificate as proof of exemption from the Mankato Food and Beverage tax and/or the Mankato Entertainment tax.

### Local governments

Local governments are **not** required to pay **local general sales taxes** imposed by their own or other local governments in Minnesota. Local governments include cities, towns, counties, instrumentalities, political subdivisions, commissions, special districts and government boards. No exemption certificate is necessary. However, state sales tax generally applies. **Local governments are generally required to pay special local taxes** imposed by their own and other local governments in Minnesota. Local governments are required to pay the Mankato Food and Beverage tax and the Mankato Entertainment tax.

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### Information and assistance

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**Call:** 651-296-6181 or toll free 1-800-657-3777

**Fax:** 651-556-3102

**E-mail:** [salesuse.tax@state.mn.us](mailto:salesuse.tax@state.mn.us)

**Web site:** [www.taxes.state.mn.us](http://www.taxes.state.mn.us)

**Write:** Minnesota Revenue  
Sales and Use Tax Division  
Mail Station 6330  
St. Paul, MN 55146-6330